

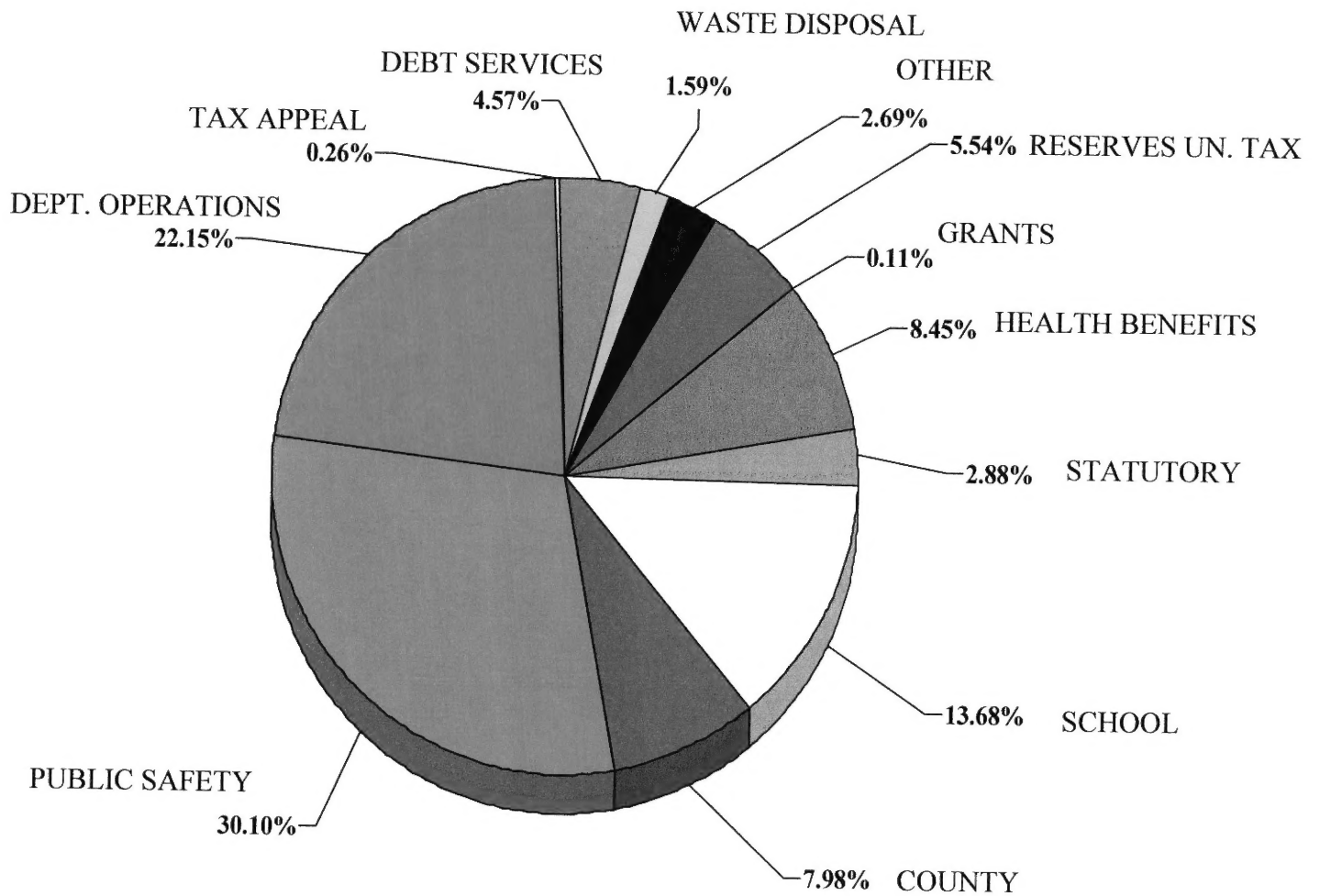
2004 Highlights in 2004 Mayor Proposed Budget

- Head Count Reduction for 2004 = 169 that's the difference between 2003 Adopted (4053) and 2004 Proposed (3882)
- Total Salary and Fringe Benefits savings for 2004 due to vacancy elimination: \$7 million- Salaries, \$2 million- Fringe Benefits (HMO, pension, dental, prescription and FICA) \$9 million in savings
- Health Benefits increased by \$7.344 from 2002 Adopted Budget to 2003 Adopted Budget- Due to the restoration of health benefits for approximately 600 employees hired after 1/1/92
- Health Benefits increased by \$2.9 from 2003 Adopted Budget to 2004 Proposed Budget
- Port Authority Additional Revenue-\$32,441,170
- Departmental Operations increased by \$7.7 million (\$ 330.1 vs. \$337.9)---2.35% increase

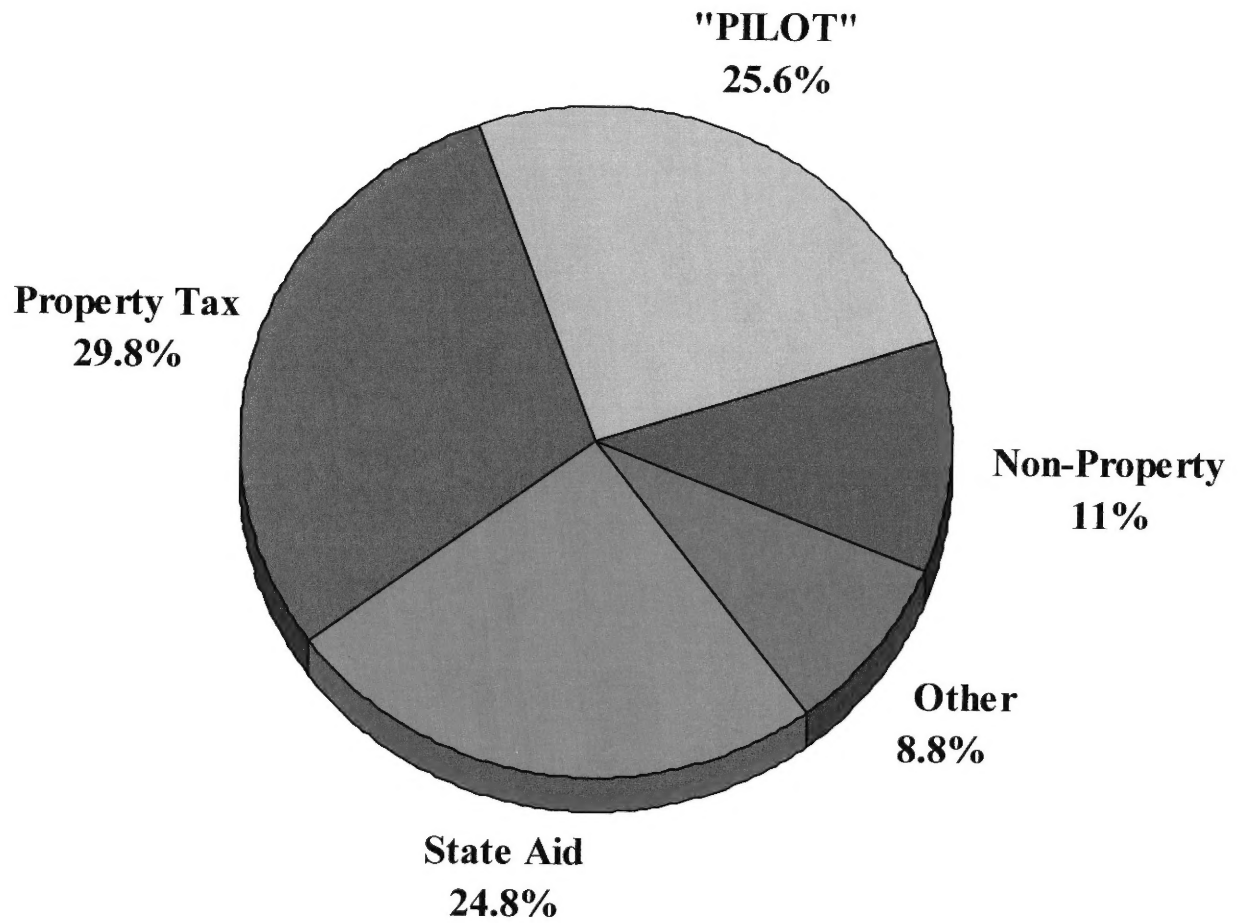
Annual Average Out of Pocket Costs	2004		
	2003	2004	+/-
175,000.00	3,780.00	3,955.00	175.00
300,000.00	6,480.00	6,780.00	300.00
500,000.00	10,800.00	11,300.00	500.00

- Police and Fire budgets represent approx 56% of the departmental operational budget
- Projected Tax Rate \$2.26; a 5% increase over last year
- 3% increase for School and County appropriations
- 5% tax increase is required annually to lessen the burden of the annual out of pocket costs
- Pension Costs- 5 year phase in to begin in 2004 for PFRS
- Due to the late adoption of the 2003 budget, the Administration made a conscious decision to reflect the headcount reductions in the 2003 adopted budget to ensure full years saving in 2004 budget from the attrition.
- 2004 Proposed Budget----\$627,676,107 ////////// 2003 Adopted Budget----\$623,580,328
- We are taking action to restore structural balance to the City budget

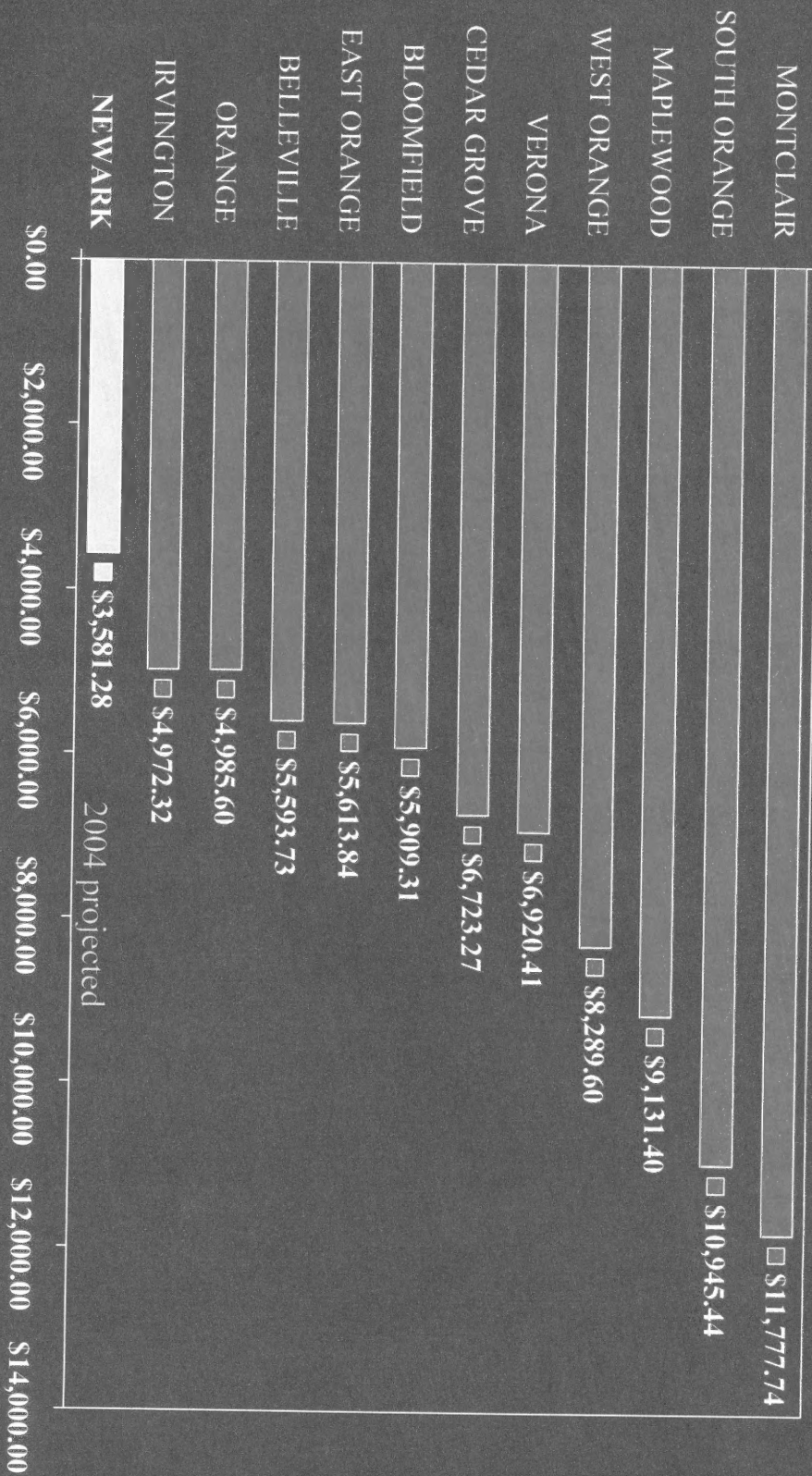
2004 APPROPRIATION



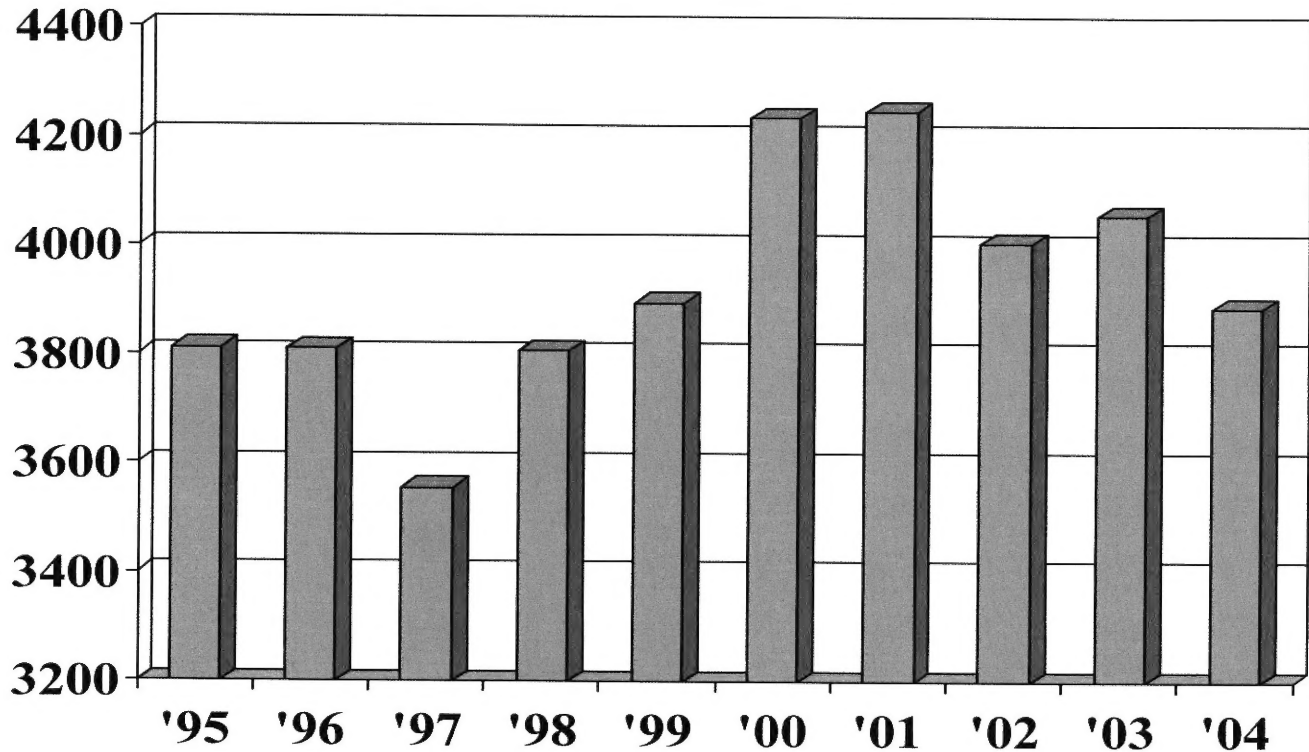
2004 Revenues



AVERAGE ANNUAL RESIDENTIAL TAXES IN ESSEX COUNTY 2003



Total Municipal Employees 1995-2004



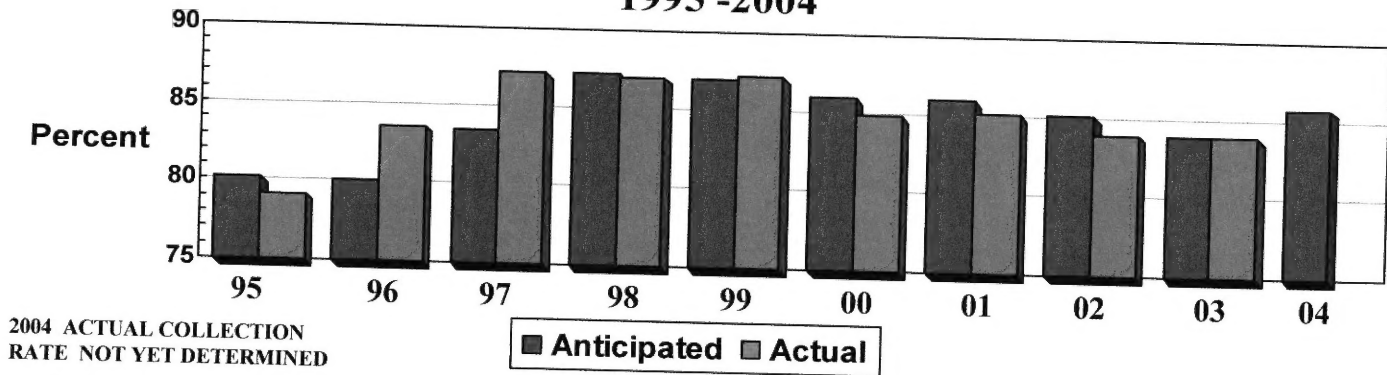
Agency	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Mayor's Office and Agencies	148	148	144	140	142	145	158	159	159	152
City Clerk & Municipal Council	115	114	119	127	127	123	123	113	113	110
Administration	92	92	85	85	86	87	88	88	88	87
Law	53	53	52	52	53	53	55	57	57	57
Finance	123	123	117	117	118	118	119	119	119	113
Police	1717	1717	1528	1773	1745	2060	2040	1825	1875	1782
Fire	742	739	735	735	735	735	735	730	730	707
Engineering	180	185	180	181	181	195	210	210	210	203
Health & Human Services	269	265	245	203	219	232	232	218	217	208
Development*	62	62	55	0	0	0	0	0	0	0
Economic & Housing Development**	0	0	0	55	58	65	65	68	68	68
Neighborhood Services*	310	310	295	0	0	0	0	0	0	0
Neighborhood & Recreational Services**	0	0	0	338	430	421	421	417	417	397
Total	3811	3808	3555	3806	3894	4234	4246	4004	4053	3884

NOTE : 2003 TOTAL HEAD COUNT OF 4053 REFLECTS THE 2003 PROPOSED BUDGET HEAD COUNT.

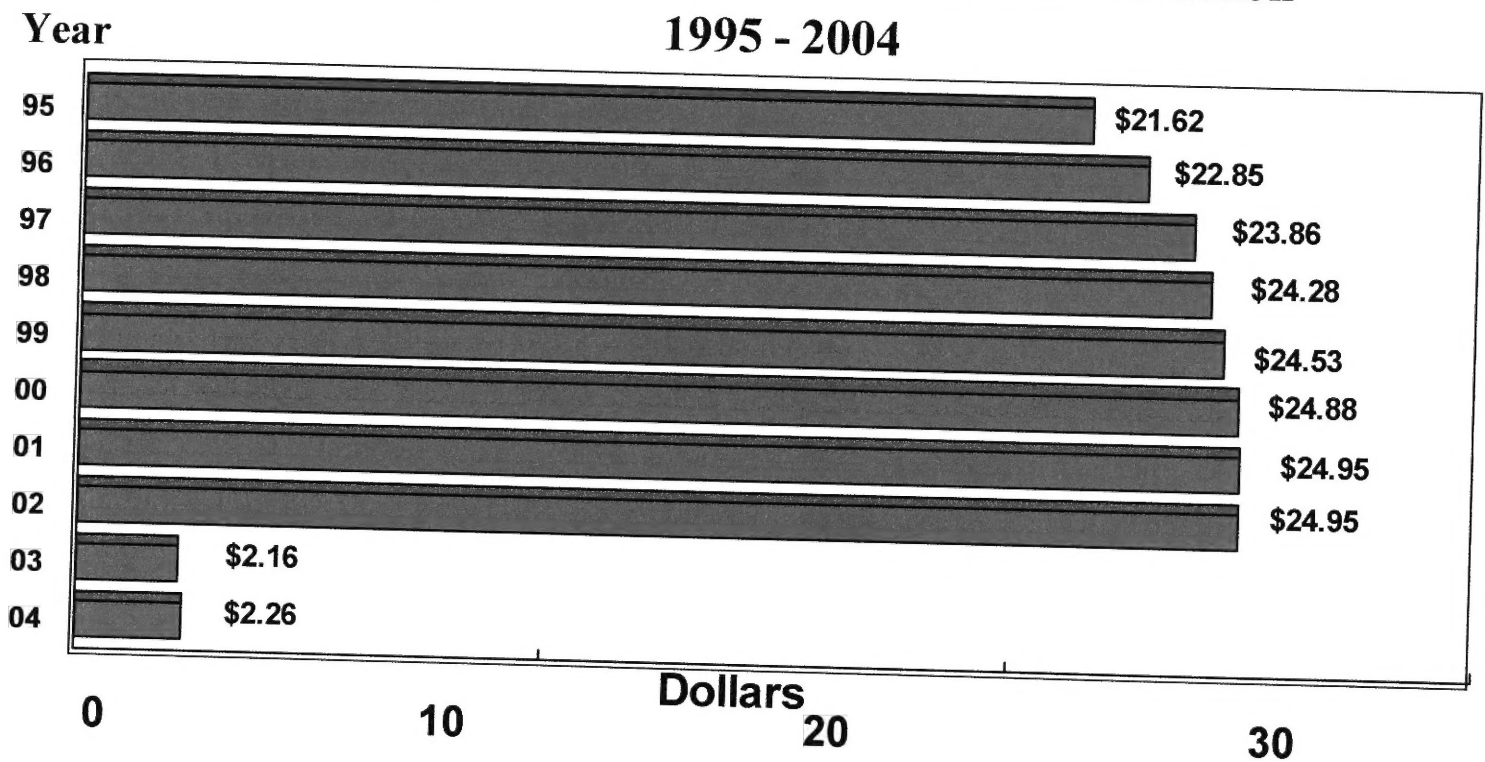
** The Departments of Economic and Housing Development and Neighborhood and Recreational Services were created during a reorganization of City Departments as per ordinance 6 PHS&F-F(S) Dated September 16, 1998.

* Development and Neighborhood Services were abolished by the same ordinance.

**Property Tax Collection Rate
Anticipated versus Actual
1995 -2004**



**Property Tax Rate Per \$100 of Assessed Valuation
1995 - 2004**



Tax Collection Rate & Tax Rate

Year	Anticipated	Actual	Tax Rate
95	80.18%	79.15%	\$21.61
96	80.13%	83.62%	\$22.85
97	83.44%	87.21%	\$23.86
98	87.21%	87.05%	\$24.28
99	87.05%	87.21%	\$24.53
00	85.98%	84.93%	\$24.88
01	85.98%	85.18%	\$24.95
02	85.18%	83.94%	\$24.95
03	83.94%	83.94%	\$2.16
04	85.80%		\$2.26